

1 EUGENE N. HANSEN (*pro hac vice*)  
2 Email: [hansene@sec.gov](mailto:hansene@sec.gov)  
3 SAMANTHA M. WILLIAMS (*pro hac vice*)  
4 Email: [williamssam@sec.gov](mailto:williamssam@sec.gov)  
5 DOUGLAS M. MILLER (Cal. Bar. No. 240398) (local counsel)  
6 Email: [millerdou@sec.gov](mailto:millerdou@sec.gov)

100 F Street NE  
Washington, DC 20549  
Tel: (202) 551-6091  
*Attorneys for Plaintiff  
Securities and Exchange Commission*

**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA  
Western Division**

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

AMERICAN PATRIOT BRANDS,  
INC., *et al.*,

## Defendants.

Case No. 2:23-cv-05379-AH-BFM

**[PROPOSED] ORDER GRANTING  
PLAINTIFF SEC'S MOTION FOR  
PARTIAL SUMMARY JUDGMENT**

1        This matter came before the Court on Plaintiff Securities and Exchange  
2 Commission's (the "SEC's") Motion for Partial Summary Judgment against  
3 Defendants American Patriot Brands, Inc., Urban Pharma, LLC, DJ & S Property #1,  
4 LLC, TSL Distribution, LLC, Robert Y. Lee, Brian L. Pallas, and J. Bernard Rice,  
5 pursuant to Fed. R. Civ. P. 56. The Court having considered the memoranda and  
6 evidence filed by the parties, and all other argument and evidence presented to it, and  
7 for good cause appearing therefore, hereby ORDERS that the SEC's Motion for  
8 Partial Summary Judgment is GRANTED. The undisputed evidence establishes that  
9 Defendants violated Section 17(a) of the Securities Act of 1933 [15 U.S.C. § 77q(a)]  
10 and Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder  
11 [15 U.S.C. § 78j(b); 17 C.F.R. § 240.10b-5].

12        The Court further ORDERS that the parties shall file, within twenty-eight (28)  
13 days of entry of this Order, a stipulation and proposed order setting forth a proposed  
14 procedure and proposed schedule for the Court (a) to determine the appropriate  
15 remedies for Defendants' violations of Section 17(a) of the Securities Act of 1933 and  
16 Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder,  
17 including but not limited to determining any injunctive relief, disgorgement and  
18 prejudgment interest thereon, civil monetary penalties, and officer and director bars,  
19 and (b) otherwise to address the remaining claim(s) in the case, including the unjust  
20 enrichment claim against the Relief Defendants (Count III of the Complaint). To the  
21 extent that the parties disagree on the proposed procedure and/or the proposed  
22 schedule for addressing remedies and the remaining claim(s) in the case, they shall  
23 set forth their competing positions in a status report filed within twenty-eight (28)  
24 days hereof.

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2 IT IS SO ORDERED.  
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4 Dated: \_\_\_\_\_

5 HON. ANNE HWANG  
6 UNITED STATES DISTRICT JUDGE  
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